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1 CONFIDENTIAL
 2 UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK
 3 -----X
 4 In Re REFCO, INC. SECURITIES 07-MDL-1902
 LITIGATION
 5 -----X
 This Document Relates to:
 6
 7 In Re REFCO, INC. SECURITIES 05 Civ. 8626
 LITIGATION (GEL)
 8 -----X
 9 And All Other Cases Subject to Deposition
 Protocol Order
 10 -----X
 11 Milbank, Tweed, Hadley
 & McCloy, LLP
 12 One Chase Manhattan Plaza
 New York, New York 10005
 13
 14 August 12, 2009
 15 9:31 a.m.
 16
 17
 18
 19 CONFIDENTIAL VIDEOTAPED DEPOSITION OF VERA
 20 KRAKER, taken at the above place, date and time,
 21 before Dawn Matera, a Registered Professional
 22 Reporter and Notary Public within and for the State
 23 of New York.
 24
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1 VERA KRAKER - CONFIDENTIAL
 2 referring to Refco Capital Markets?
 3 A. Yes.
 4 Q. To your knowledge, in 2004 and 2005,
 5 where was RCM located?
 6 A. The securities division was in New
 7 York. The FX division was New York and Chicago, I
 8 believe. And we had a derivatives desk in London.
 9 Q. Did you also have a Miami office?
 10 A. Oh, yes, Miami.
 11 Q. And what did Miami handle?
 12 A. They primarily did emerging markets.
 13 Q. Where would you say RCM's principal
 14 place of business was?
 15 A. For our desk was New York.
 16 Q. To your knowledge, in 2004/2005, did
 17 RCM have any offices or operations in Bermuda?
 18 A. Not that I know of.
 19 Q. Do you recall if RCM ever had offices
 20 or operations in Bermuda?
 21 A. Yes.
 22 Q. When was that?
 23 A. In January of '94 they moved the whole
 24 trading desk to Bermuda and then operations, as well.
 25 Q. And how long did the trading desk and

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1 VERA KRAKER - CONFIDENTIAL
 2 the operations stay in Bermuda, to your knowledge?
 3 A. Operations came back first, and I am
 4 not really sure when -- and I believe they officially
 5 closed the office towards the end of '01.
 6 Q. And after 2001, there were no offices
 7 or operations for RCM in Bermuda?
 8 A. Not that I know of.
 9 Q. Do you know why RCM moved its
 10 operations out of Bermuda?
 11 A. I don't know.
 12 Q. Did you have any understanding as to
 13 what impact, if any, moving RCM's operations out of
 14 Bermuda would have?
 15 A. No.
 16 MR. SHANAHAN: Object to the form.
 17 Q. So after 2001, did you understand RCM
 18 to have any operations outside of the United States?
 19 A. I don't know.
 20 Q. Do you know if RCM had any of its own
 21 employees?
 22 A. I am not sure what you mean by that.
 23 Q. As opposed to people working for RCM,
 24 but are actually employed by another Refco entity?
 25 MR. CUSICK: Object to the form.

1 VERA KRAKER - CONFIDENTIAL
 2 A. I don't know.
 3 Q. Did RCM have any brokers?
 4 A. I am not sure what you mean by broker.
 5 Q. Did they employ anybody who acted as a
 6 broker?
 7 MR. CUSICK: Object to the form.
 8 A. Is that different from a salesman? I
 9 am not sure what you mean.
 10 Q. Well, what do you understand a
 11 salesman's responsibilities to have been?
 12 A. To trade for their accounts.
 13 Q. And did you understand the salesman to
 14 be able to trade for their accounts only on a
 15 customer's instruction?
 16 MR. HUYNH: Objection to form.
 17 A. I guess that would depend on what kind
 18 of an account was open, i.e. discretionary or
 19 nondiscretionary account.
 20 Q. Do you know whether RCM had any
 21 discretionary accounts?
 22 A. I don't know.
 23 Q. If a customer wanted to open an
 24 account with RCM, where would that customer call or
 25 go to to do that?

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1 VERA KRAKER - CONFIDENTIAL
 2 MR. CUSICK: Object to the form.
 3 A. If they had a salesman?
 4 Q. If they didn't, if they were brand new
 5 to Refco and wanted to open a RCM account?
 6 MR. CUSICK: Same objection.
 7 A. I don't know. I've never seen that
 8 happen with them having no introduction.
 9 Q. Okay. So if a customer had a -- let
 10 me go back.
 11 If a customer had a relationship with
 12 an RCM salesman and wanted to open an account at RCM,
 13 do you know what that process would be?
 14 A. The salesman would have New Accounts
 15 send out paperwork.
 16 Q. And where is New Accounts?
 17 A. At our offices, One World Financial on
 18 the 24th floor.
 19 Q. And if a customer who had an account
 20 with RCM had a question, where would they call?
 21 A. Their salesman.
 22 Q. And that would be in New York, their
 23 salesman would be located in New York?
 24 MR. CUSICK: Object to the form.
 25 A. Or it could have been Miami.